

COASTAL CONSERVANCY

Staff Recommendation

April 27, 2006

SEARS POINT HABITAT RESTORATION

File No 04-010

Tom Gandesbery

RECOMMENDED ACTION: Authorization to disburse up to one million dollars (\$1,000,000) to the Sonoma Land Trust to undertake feasibility studies, prepare preliminary and final plans and designs and permit applications for the restoration of the 2,327-acre Sears Point property in Sonoma County.

LOCATION: Due west and south of Sears Point (Infinion) Raceway, with some areas north of Highway 37, east of Lakeville Highway and south to San Pablo Bay, Sonoma County (Exhibit 1).

PROGRAM CATEGORY: San Francisco Bay Area Conservancy

EXHIBITS

Exhibit 1: Area Map

Exhibit 2: Property Map – Sears Point and surrounding properties

Exhibit 3: Proposed Work Plan Budget and Schedule

Exhibit 4: Letters of Support

Exhibit 5: Staff Recommendation of March 25, 2004

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following Resolution pursuant to Sections 31160-31164 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed one million dollars (\$1,000,000) to the Sonoma Land Trust to undertake feasibility studies, prepare preliminary and final plans and designs, and permit applications for the restoration of tidal and non-tidal wetlands and upland coastal grasslands subject to the condition that no Conservancy funds shall be disbursed until the Executive Officer has reviewed and approved in writing:

1. Any contractors to be hired; and
 2. A final work program for the project, including a detailed schedule and budget.”
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Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed project is consistent with the purposes and criteria set forth in Chapter 4.5 (Sections 31160-31164) of Division 21 of the Public Resources Code regarding the enhancement of natural resources of the San Francisco Bay Area.
 2. The proposed project is consistent with the Project Selection Criteria and Guidelines adopted on January 24, 2001.
 3. The Sonoma Land Trust is a nonprofit organization existing under Section 501(c)(3) of the U.S. Internal Revenue Code, and whose purposes are consistent with Division 21 of the Public Resources Code.”
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PROJECT SUMMARY:

The Sonoma Land Trust (SLT) is seeking funding to complete feasibility studies, preliminary and final restoration plans, environmental documents, engineering designs and specifications, and permit applications for the Sears Point Restoration Project. This restoration project provides the Bay Area’s sole opportunity to reconnect the historic gradient from tidal marsh and seasonal wetlands, to alluvial fans, and upland hill slopes up to 400’ above sea level. The project will restore 1,400 acres of diked agricultural baylands to a mix of tidal and non-tidal marsh. Another approximately 900 acres of uplands will be restored to a mosaic of habitats including riparian, native grassland, vernal pools and plunge pools. The SLT envisions using portions of the uplands for grazing which will also serve as a management tool. When completed the site will provide habitat for a wide range of native species, and it will include a new 2.5 mile section of the San Francisco Bay Trail (Exhibit 2).

To date, the SLT has developed conceptual wetland and upland restoration scenarios based on its understanding of the history and present condition of the project lands and the project’s surroundings, existing infrastructure (Highway 37 and a railroad right-of-way). The project’s ecological goals are based on the recommendations of the 1999 *Baylands Ecosystem Habitat Goals Report for the San Francisco Estuary*. Specifically for the project area, the *Goals Report* recommends restoring tidal marsh and enhancing seasonal marsh on the diked baylands and creating a natural transition from the restored marsh to uplands. Building upon these ecological goals and existing site conditions, the project vision includes management, enhancement and restoration of wetland and upland habitats consistent with the watershed’s natural landscape (See Exhibit 2). On the upland slopes, drainages, and alluvial fan grasslands, the emphasis will be low-intensity management and targeted enhancement. On the diked baylands north of the railroad tracks, the focus will be to limit engineering features and promote effective use of available water supplies while maintaining flood protection from storm runoff for the roads and rail line. Finally, on the diked baylands south of the railroad tracks, restoration will involve the greatest amount of design efforts to restore tidal action while protecting the railroad track from flooding. Overall, all restoration and enhancement designs will maximize natural processes and minimize engineered struc-

tures to the extent possible.

The Sears Point project will provide roughly 2.5 miles of new Bay Trail in an area not previously included in the San Francisco Bay Trail Plan. This trail will link up with the native plant nursery and headquarters of the San Pablo Bay National Wildlife Refuge as well as spur trails into the uplands, north of Highway 37. The project also seeks to preserve agriculture by continuing cattle grazing under coordinated, resource-focused means; current efforts include the development of a grazing plan that manages for control of noxious weeds and non-native species and enhances riparian vegetation and existing vernal pool complexes. Overall, the project presents an extraordinary opportunity to restore and enhance a complete watershed transition from hill slopes at 400 feet above sea level, down the drainages and alluvial fans, to seasonal and tidal wetlands. This restoration adds to the mosaic of lands that have been or are planned to be restored to natural wetland habitats and will greatly expand habitats for special status species populations both on and off the properties.

The SLT convened a stakeholder group to participate in the development of the conceptual plan alternatives. A technical peer review panel has also been convened to review and evaluate the three alternatives as they are developed through the detailed design phase. Specifically, the SLT will complete the following specific tasks within the next three years:

1. Prepare a preliminary plans and alternatives description report (including additional studies as needed)
2. Obtain technical peer review and oversight
3. Complete preliminary restoration plan
4. Prepare initial environmental review and supporting studies
5. Complete draft and final environmental documents
6. Complete final design, and engineering plans and specifications
7. Apply for all permits

Many scientists, as well as local, state, and federal resources agency staff consider this project to be critical for successfully implementing restoration and endangered species recovery efforts in the Bay-Delta. This opinion is expressed in a number of programs and publications including the San Pablo Bay Watershed Restoration Program, the San Francisco Bay Habitat Joint Venture, the *Baylands Ecosystem Habitat Goals Report* and the *San Francisco Bay Estuary Project's Comprehensive Conservation and Management Plan*.

Site Description: The project is located in southern Sonoma County on the edge of San Pablo Bay between the mouth of the Petaluma River and Tolay Creek. The property comprises 2,327 acres, including diked agricultural baylands, alluvial fans, hill slopes reaching up to 400 feet above sea level, and numerous small drainages throughout these hills. It is within the extensive complex of historic baylands that were diked off from tidal flow in the late 1800's and early nineteenth century, most converted to hay farms. The topography is generally flat, rising to hill slopes up to 400' above sea level.

Field investigations conducted since SLT acquired the property have documented a wider diversity in native plant and wildlife populations than were anticipated at the time of the acquisitions.

The San Pablo Bay watershed is an essential feeding and resting stop for migratory birds on the Pacific Flyway and provides important habitat for many rare and endangered species, for example birds like the: burrowing owls (*Athene cunicularia*); golden eagles (*Aquila chrysaetos*); San Pablo Bay song sparrow (*Melospiza melodia*); and plants like: native purple needlegrass (*Nassella pulchra*) and Johnny jump-up (*Viola pedunculata*).

Project History: Historically, nearly 80,000 acres of tidal marshes and open mudflats surrounded San Pablo Bay, providing essential habitat for a wide range of animals, birds, and plants. Through the years, thousands of acres of these wetlands were diked, drained and reclaimed for agricultural use; overall, 82% of the North Bay’s historic tidal wetlands were destroyed. Beginning in the early 1970s, scientists recognized that in order to enhance the ecological vitality of the Bay, many thousands of acres of tidal marshes would need to be restored. Local, state, and federal agencies consider these restoration activities an essential component of the successful restoration of the Bay, including the recovery of threatened and endangered fish and wildlife species.

In 2004 the Sonoma Land Trust acquired the North Point and Dickson Ranch properties in Sonoma County, collectively known as the 2,327-acre Sears Point Restoration Project, marking a key milestone in this regional restoration agenda. For a short time, this property was referred to as the “casino lands” because the Federated Indians of Graton Rancheria had proposed a casino development. The planned casino and resort met with stringent opposition.

The Rancheria recognized the local sentiment and donated their \$4 million purchase option on the North Point property. Funding for the acquisition phase began by leveraging \$1.6 million raised from over 600 individuals and organizations in the local community. To acquire the land, the SLT received grants from the Coastal Conservancy, the Wildlife Conservation Board, the Gordon and Betty Moore Foundation, and the Sonoma County Agricultural Preservation and Open Space District. Since the acquisitions, SLT has maintained an involved constituency of stakeholders representing over 40 agencies and organizations. SLT also coordinates volunteers, including the Friends of San Pablo Bay National Wildlife Refuge, who’ve contributed hundreds of labor hours remodeling the Refuge headquarters, building a native plant nursery, and maintaining the property.

PROJECT FINANCING:

Previous Conservancy Funding:

Coastal Conservancy (planning and acquisition):	\$240,000
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Proposed:

Sonoma Land Trust	\$665,000
<u>Coastal</u> Conservancy (WCB grant)	\$1,000,000
Other (Local fundraising, matching grants):	\$580,000

Total:	\$2,245,000
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The source of funds for the proposed project is expected to be from the Conservancy's FY 2003/04 appropriation from the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Proposition 50), which can be used for coastal watershed protection pursuant to Division 21 of the Public Resources Code. Pursuant to Section 31162(b) of Chapter 4.5 of Division 21, this project furthers the San Francisco Bay Area Conservancy Program's goal to protect, restore, and enhance natural habitats in the San Pablo Bay watershed.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

This project is undertaken pursuant to Chapter 4.5 of the Conservancy's enabling legislation, Public Resources Code Sections 31160-31164, to address resource and recreational goals in the San Francisco Bay Area.

The Sears Point Restoration Project is located in Sonoma County, one of the nine San Francisco Bay Area counties in which the Conservancy is authorized, under Sections 31160 and 31161 of the Public Resources Code, to undertake projects and award grants to address resource and recreational goals for the region.

Consistent with §31162, the Conservancy may undertake projects that will help to achieve specified goals for the San Francisco Bay Area Conservancy Program. Under Section 31162(b), the Conservancy may act to protect, restore, and enhance natural habitats and connecting corridors, watersheds, scenic areas, and other open space resources of regional significance. The proposed project will restore 1,400 acres of diked agricultural baylands to a mix of tidal and non-tidal marsh. Enhancement of approximately 900 acres of uplands will include riparian restoration, native grassland management, and enhancement of vernal pools and plunge pools.

Finally, the proposed project satisfies all of the criteria for determining project priority under §31163(c), as follows: The project (1) is supported by adopted regional plans (San Francisco Bay Plan and Sonoma County General Plan); (2) serves a regional constituency involving, among others, the Sonoma County Agricultural Preservation and Open Space District, the Department of Fish and Game, and several nonprofit organizations whose mission includes natural resource protection and restoration; (3) the planning can be undertaken immediately; (4) provides benefits that would be lost if the project is not quickly implemented; and (5) includes significant matching funds.

CONSISTENCY WITH CONSERVANCY'S

STRATEGIC PLAN GOAL(S) & OBJECTIVES:

Consistent with **Goal 10, Objective B**, the proposed project will result in a final plan to restore San Francisco Bay wetlands, uplands, riparian habitat, and other regionally significant resources.

Consistent with **Goal 12, Objective A**, the project will result in the protection and preservation of some existing agricultural uses of the land for cattle grazing. The grantee has entered into

agreements with cattle ranchers to graze an approximately 900-acre upland portion of the project site and to use grazing as a management tool for control of invasive plants.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA AND GUIDELINES:

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001, in the following respects:

Required Criteria

1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy Enabling Legislation" section above.
2. **Consistency with purposes of the funding source:** See the "Project Financing" section above.
3. **Support of the public:** The Conservancy has received letters of support from: Congresswomen Lynn Woolsey, State Senator Joe Nation, the US Fish and Wildlife Service; the State Department of Fish and Game; The San Francisco Bay Trail; Save The Bay; and The Bay Institute.
4. **Location:** The project study area is within the historic wetland and adjacent uplands of San Pablo Bay in Sonoma County which is in the nine-county San Francisco Bay Area region. It is specifically located due west and south of Sears Point (Infinion) Raceway, with some areas north of Highway 37, east of Lakeville Highway and south to San Pablo Bay, Sonoma County (Exhibit 1).
5. **Need:** Requested funds are needed in 2006 to fund critical elements such as tidal wetlands modeling and geotechnical studies in order to ensure that the restoration plan can undergo environmental evaluation. Failure to complete these tasks in 2006 would require duplicated stakeholder and peer review processes in subsequent years.
6. **Greater-than-local interest:** The San Pablo Bay watershed encompasses portions of several counties within its 860-square-mile boundary. The project will benefit linked ecosystems beyond the watershed, including the remaining portions of San Francisco Bay and the nearby marine environments. Lessons learned with this project will have applicability to restoration efforts for the South Bay Salt Ponds, work in the Suisun Bay and Delta, and potentially for wetland projects outside California. Furthermore, the proposed acquisition will eventually result in the construction of the regionally significant Bay Trail where its alignment traverses the property.

Additional Criteria

7. **Urgency:** Until restoration is complete, SLT must pay property management costs, including property taxes, drainage ditch and levee maintenance, and utilities associated with storm water removal and pump maintenance. These financial obligations divert SLT funds that

could otherwise be applied to other acquisition and restoration projects throughout Sonoma County.

8. **Resolution of more than one issue:** Restoration will result in a) protection and enhancement of endangered species, b) achievement of local, state and regional restoration objectives and c) construction of the Bay Trail where it traverses the property.
9. **Leverage:** See the “Project Financing” section above. Conservancy funding of the presently proposed program will leverage funds contributed in the past by the Gordon and Betty Moore Foundation and currently committed funds from the U.S. Fish and Wildlife Service and the U.S. Army Corps of Engineers (San Pablo Bay Watershed Restoration Program).
10. **Conflict resolution:** The SLT works directly with landowners, stakeholders, and local governments to help resolve conflicts regarding restoration goals when they might conflict with existing or planned land uses, such as when converting lands zoned as agricultural to wetlands, resolving issues with transportation infrastructure (including railroads and highways), and developing consensus among diverse project participants.
11. **Readiness:** In late 2004, SLT hired new staff to manage the restoration, composed a project team of restoration scientists, engineers, and ecologists, and developed a detailed, long-term work plan for the restoration. SLT is ready to begin immediately, contingent upon the process to acquire committed funding.
12. **Cooperation:** Primary project partners include a coalition of private, local citizens, private foundations, and nonprofit organizations including the Federated Indians of Graton Rancheria, the Wildlife Conservation Board, the Gordon and Betty Moore Foundation, the Sonoma County Agricultural Preservation and Open Space District, the Sonoma County Regional Parks, the California Department of Fish and Game, the United States Fish and Wildlife Service, the United States Corps of Engineers, the San Francisco Bay Joint Venture, the Point Reyes Bird Observatory, and The Bay Institute. All of these entities are working with local ranchers, grape growers, and farmers on development of the restoration plans.

CONSISTENCY WITH SAN FRANCISCO BAY PLAN:

The project is within the permit jurisdiction of the San Francisco Bay Conservation and Development Commission (BCDC). The proposed project is considered project planning and is exempt from permitting requirements and is consistent with the following adopted San Francisco Bay Plan policies.

Part III: the Bay as a Resource

Water Quality

To the greatest extent feasible, the Bay marshes, mudflats and water surface area and volume should be maintained and, whenever possible, increased. When implemented, the project will result in the restoration of approximately 1,000 acres of tidal wetlands.

Water Surface Area and Volume

Water surface of the bay will be maintained and improved as much as possible. Restoration of tidal wetlands will assist with the maintenance and improvement of Bay water quality and volume.

Marshes and Mudflats

To offset possible additional losses of marshes due to unnecessary filling and to augment the present marshes, former marshes should be restored when possible through removal of existing dikes; and the quality of existing marshes should be improved whenever possible. Restoration of tidal wetlands would substantially increase the surface area of San Pablo Bay.

The project will also result in the development of the San Francisco Bay Trail located near the shoreline. Development of the Bay Trail will be carried out in a manner sensitive to Bay resource protection.

COMPLIANCE WITH CEQA:

The project is statutorily exempt from the provisions of the California Environmental Quality Act (CEQA) because it involves only feasibility or planning studies for possible future actions, as indicated in 14 Cal. Code of Regulations Section 15262. Upon approval, staff will file a Notice of Exemption.